

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of California-American Water Company (U-210-W), a California corporation, RWE Aktiengesellschaft, a corporation organized under the laws of the Federal Republic of Germany, Thames Water Aqua Holdings GmbH, a corporation organized under the laws of the Federal Republic of Germany, Thames Water Plc, a corporation organized under the laws of the United Kingdom and Wales, and Apollo Acquisition Company, a Delaware Corporation, for an order Authorizing Apollo Acquisition Company to merge with and into American Water Works Company, Inc. resulting in a change of control of California-American Water Company, and for such related relief as may be necessary to effectuate such transaction.

Application 02-01-036
(Filed January 28, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING EXTENDING
THE TIME FOR COMPLIANCE WITH ORDERING
PARAGRAPH 10 OF DECISION 02-12-068 TO AUGUST 1, 2003**

On June 27, 2003, moving parties¹ filed a joint motion requesting an extension until August 1, 2003, of the deadline to comply with Ordering Paragraph (OP) 10 of Decision (D.) 02-12-068. In OP 10, the Commission

¹ Moving parties include RWE Aktiengesellschaft, Thames Water Aqua Holdings GmbH, Thames Water Plc, and Apollo Acquisition Company, jointly with California-American Water Company (Cal-Am) and the Montara Sanitary District.

conditioned approval of the transaction at issue in that decision on Cal-Am's divesting itself of the Montara District at fair market value to the Montara Sanitary District or another public agency. OP 10 requires Cal-Am to submit an advice letter to the Commission for approval of the divestiture pursuant to Public Utilities Code Section 851 no later than 90 days after the effective date of that decision, and to complete all other aspects of the divestiture within 90 days.

March 19, 2003 was the initial compliance date for OP 10. Pursuant to Rule 48(b) of the Commission's Rules of Practice and Procedure, the Commission's Executive Director William Ahern granted joint applicants until July 17, 2003 to comply with OP 10.

The moving parties state that Cal-Am and Montara Sanitary District have reached a settlement of a condemnation action filed by Montara Sanitary District whereby Montara Sanitary District will purchase the assets of Cal-Am's Montara District. Paragraph 9(b) of the settlement agreement provides in pertinent part that that the parties will jointly advise the Commission of their compliance with the divestiture order and will request that the Commission extend the divestiture date so that it will coincide with the August 1, 2003 closing date set in the settlement agreement. Accordingly, moving parties request an extension of the deadlines set forth in OP 10 to August 1, 2003.

OP 10 states that the time set for compliance may be extended upon joint motion by applicants and the Montara Sanitary District to the Commission, the Assigned Commissioner, or the assigned Administrative Law Judge. In light of the settlement agreement, I grant the moving parties' joint request for an extension of time until August 1, 2003, to comply with OP 10.

IT IS RULED that moving parties' joint request for an extension of time until August 1, 2003 to comply with Ordering Paragraph 10 of Decision 02-12-068 is granted.

Dated July 2, 2003, at San Francisco, California.

/s/ JANET A. ECONOME

Janet A. Econome
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Extending the Time for Compliance with Ordering Paragraph 10 of Decision 02-12-068 to August 1, 2003 on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated July 2, 2003, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

(415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.